**Study for Viability of NTC Mills**

2470. SHRI RAMDAS AGARWAL: Will the Minister of TEXTILES be pleased to state:

(a) whether Government's plan to revive NTC mills has taken a new turn with the Textile Ministry's suggestion for a mill-wise study on commercial viability on the basis of net worth, as reported in the 'Hindustan Times' dated the 22nd July, 1997;

(b) if so, the details thereof and the reasons therefor; and

(c) whether interests of the workers would be safeguarded in respect of such mills which are found beyond revival/ redemption as a result of mill wise study now proposed to be undertaken by his Ministry, particularly in Rajasthan and Orissa?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA): (a) to (c): On account of their net worth erosion, 8 out of the 9 subsidiaries of NTC have been referred to and declared sick by the BIFR. Government approved a revised Turn Around Plan in May, 1995, envisaging modernisation of 79 mills at a cost of Rs. 2005.72 crores, restructuring of 36 unviable units into 18 viable units by merger etc. The funds for modernisation have to be raised from sale of surplus lands and assets. Due to the reluctance of the State Government of Maharashtra to approve the sale of surplus lands of the Mumbai mills from where more than 80 per cent of the sale proceeds are estimated and since the BIFR has not yet approved the package, the Turn Around Plan could not be taken up till date. In this background, the NTC has reviewed the unit-wise viability keeping in view the concessions agreed to by the Government in 1995 and the concept of net worth becoming positive. The report of the NTC is under consideration of the Government.

In the meanwhile, Government is providing budgetary support to NTC to meet their shortfall in payment of wages, salaries and bonus. Government are also implementing a Voluntary Retirement Scheme in NTC mills to ratonalise the surplus workforce.

**Textile Units Registered with BIFR**

2471. SHRI AKHILESH DAS: Will the Minister of TEXTILES be pleased to state:

(a) how many textile units were registeerd with the Board for Industrial and Finance Reconstruction (BIFR) during the last three years;

(b) in how many cases BIFR has drawn up rehabilitation packages and how many of them are from Uttar Pradesh itself;

(c) whether Government have created a Textile Modernisation Fund to meet the modernisation requirements of the textile industry; and

(d) if so, what are the details in this regard?

THE MINISTER OF TEXTILES (SHRI R. L. JALAPPA): (a) The cases of 45 textile mills were registered with Board for industrial and Financial Reconstruction (BIFR) during the last three year (1994-96).

(b) During the last three years BIFR has drawn up rehabilitation packages in respect of 14 mills. None of them is from Uttar Pradesh.

(c) and (d) Government of India introduced the Textile Modernisation Fund Scheme in 1986 for a period of 5 years with a corpus of Rs. 750 crores with a view to extending financial assistance for modernisation of Textile Mills through replacement/ renovation of equipment/machinery, upgradation of technology, improvement of product quality and enhancement of export quality. The net amount sanctioned by IDBI, the nodal agency for the scheme aggregated to Rs. 1288.5 crores to 357 units over a period of 5 years.